

HAMPSHIRE COUNTY COUNCIL

Decision Report

Decision Maker:	Executive Member for Environment and Transport
Date:	5 March 2013
Title:	Procurement following Commercial Deregistration of local bus services 41 – Farnborough and Ash and 94 Petersfield and Buriton Village
Reference:	4695
Report From:	Director of Economy, Transport and Environment

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1. Executive Summary

- 1.1. This report proposes a plan of action to ensure that bus services between Farnborough and Ash (service 41), and Fleet, Calthorpe Park and Pondtail (service 71) continue to support access to work, education, retail, leisure and health for the widest section of the community thereby supporting quality of life as well as achieving value for money. This proposal reflects the current financial situation and the budget that is allocated.
- 1.2. The duration of contacts proposed for the 41 and 94 will align with renewal dates for other bus subsidy contracts in the respective tender areas.

2. Contextual information

- 2.1. The 41 bus route was originally tendered as part of the Blackwater Valley area tender round on 26 April 2011. The successful tenderer, RJB (UK) Ltd, was awarded a 4 year contract to start from 17 October 2011.
- 2.2. The 94 bus route was originally tendered as part of the Alton area tender round on 4 January 2010. The successful tenderer, RJB (UK) Ltd, was awarded a 4 year contract to start from 6 June 2010.
- 2.3. RJB(UK) Ltd went into liquidation on the afternoon of Friday 18 January 2013 and emergency contracts were provided to ensure continuity of service. These will expire on 21 April 2013.
- 2.4. For Service 41 Farnborough – Ash – Farnborough bus service the emergency contract was awarded to Stagecoach/Fleet Buzz at a cost pro-rata to £65,000 per annum.

- 2.5. To align any services with the current Blackwater Valley local bus contracts, any new contract issued for the 41 will be for a maximum period of 2 years and 7 months.
- 2.6. For Service 94 Petersfield – Buriton – Petersfield bus service the emergency contract was awarded to Velvet at a cost pro-rata to £99,600 per annum.
- 2.7. To align any services with the current Alton local bus contracts, any new contracts issued will be for a maximum period of 1 year and 1 month.
- 2.8. A full tender was issued in each case to comply with current Procurement legislation.

3. Finance

- 3.1. The cost of the emergency service for route 41 being run by Stagecoach/ FleetBuzz is £65,000 per annum (£16,250 for 3 months).
- 3.2. The cost of the awarded contract £60,468 per annum
- 3.3. Surrey County Council support the Service 41 with a 41.1% contribution per annum, which equates to £24,852.34
- 3.4. The cost of the emergency 94 service being run by Velvet is £99,600 per annum, (£24,900 for 3 months)
- 3.5. The cost of the awarded contract £72,625
- 3.6. The cost of these services will continue to be funded by ETE from the local bus budget and by Surrey County Council. This represents an annual saving of £23,908 from the previous services run by RJB(UK)Ltd.

4. Performance

- 4.1. The proposed bus services will continue to support access to work, education, retail, leisure and health for the widest section of the community thereby supporting quality of life in the areas affected as well as achieving value for money. This service will reflect the current financial situation and the budget that is currently allocated. The proposed level of service in each case was endorsed or revised by the Bus Subsidy Review in 2011.

5. Recommendations

- 5.1. That approval be given to procure a bus service, service 41, under the Dynamic Purchasing System. The resulting contract will be of up to 2 years 7 months duration with an estimated value of £60,468 per annum of which £35,616 per annum is related to Hampshire County Council.
- 5.2. That approval be given to procure a bus service, service 94, under the Dynamic Purchasing System. The resulting contract will be of up to 1 year 1 month duration with an estimated value of £72,625 per annum of which £72,625 is related to Hampshire County Council

CORPORATE OR LEGAL INFORMATION:**Links to the Corporate Strategy**

Hampshire safer and more secure for all:	no
Corporate Improvement plan link number (if appropriate):	
Maximising well-being:	yes
Corporate Improvement plan link number (if appropriate):	
Enhancing our quality of place:	no
Corporate Improvement plan link number (if appropriate):	

Other Significant Links

Links to previous Member decisions:		
<u>Title</u>	<u>Reference</u>	<u>Date</u>
Retendering of local bus services - Alton		6 April 2010
Retendering of Local Bus Services – Blackwater Valley	2710	27 July 2011
Direct links to specific legislation or Government Directives		
<u>Title</u>	<u>Date</u>	

Section 100 D - Local Government Act 1972 - background documents

The following documents discuss facts or matters on which this report, or an important part of it, is based and have been relied upon to a material extent in the preparation of this report. (NB: the list excludes published works and any documents which disclose exempt or confidential information as defined in the Act.)

DocumentLocation

None

IMPACT ASSESSMENTS:

1. Equalities Impact Assessment:

- 1.1 The proposals in this report have been developed with due regard to the requirements of the Equality Act 2010, including the Public Sector Equality Duty and the Council's equality objectives. An assessment of the impacts in this service area can be found at <http://www3.hants.gov.uk/equality/equality-impact-assessments/cx-pu-eqimpact-envi.htm>

It is considered that the issues covered by this report will not have impacts requiring further specific actions by the Council above those already established in its existing policies and working procedures.

2. Impact on Crime and Disorder:

- 2.1. It is considered that the decision will have no impact on crime and disorder.

3. Climate Change:

- 3.1. How does what is being proposed impact on our carbon footprint / energy consumption?

Delivering an effective public transport system within affordable funding levels provides an alternative to the use of the private car.

- 3.2. How does what is being proposed consider the need to adapt to climate change, and be resilient to its longer term impacts?

An effective public transport alternative matches provision to need and minimises carbon emissions.